A N N U A L R E P O R T

of the

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

for the year ended

31 MARCH 1984

TO HIS HONOR

THE HONOURABLE J. AUBIN DOIRON

Lieutenant-Governor of the Province of

Prince Edward Island

May It Please Your Honour:

I respectfully submit herewith, for the information of Your Honour and the Legislature of Prince Edward Island, the Annual Report of the Crown Building Corporation for the Fiscal year ended 31 March 1984.

I have the honour to be Sir:

Your obedient servant,

Gordon Lank,
President
Crown Building Corporation

Charlottetown, PEI
25 January 1985

P R I N C E E D W A R D I S L A N D

C R O W N B U I L D I N G C O R P O R A T I O N

Charlottetown
Prince Edward Island
25 January 1985

Honourable Gordon Lank, President
Prince Edward Island
Crown Building Corporation
CHARLOTTETOWN
Prince Edward Island

Sir:

We have the honour to submit herewith a report of the activities of the Prince Edward Island Crown Building Corporation for the year ended 31 March 1984.

On April 5, 1962, an Act was passed to establish the Prince Edward Island Crown Building Corporation, and by Order-in-Council dated April 12, 1962 (EC254/62), Honourable J.D. Stewart was designated as the Minister of the Crown, having supervision of the Administration of the Act. Order-in-Council EC255/62 of the same date appointed Honourable J.D. Stewart, Douglas McGowan, M.L.A., R.G. White and J. Gilmore, as Directors of the Corporation. At the first meeting of the Corporation on 16 May 1962 Honourable H.B. McNeill was named to act as Vice-President and J. Gilmore as Secretary-Treasurer.

During the period 1962-1966 the Corporation functioned as an administrative and financing agency for the site preparation, planning, design and construction of the Provincial Administrative Buildings.

Pursuant to Section 2(d) of the Act, the Minister of Public Works was designated as Minister of the Crown responsible for the administration of the Prince Edward Island Crown Building Corporation Act (Minute-in-Council EC1160/67).

By Minute-in-Council EC969/66 and pursuant to Section 3(2) of the Act, Honourable George J. Ferguson was appointed as President of the Prince Edward Island Crown Building Corporation; effective the same date, the following were appointed as members of the Board of Directors:

Honourable M. Lorne Bonnell, M.D., C.M.
Honourable J. Elmer Blanchard, B.A.
Honourable T. Earle Hickey, F.C.A.

R. Gordon White, Esq. continued as a member of the Board, as per Minute-in-Council EC255/62, and John Gilmore, Esq., continued as Secretary.

By Minute-in-Council EC47/71, January 27, 1971, the Honourable Bruce L. Stewart was appointed as a member of the Board of Directors following the death of the Honourable J. Elmer Blanchard.

Effective 2 February 1972, (EC1027/72) Honourable J.H. Maloney, M.D. and William S. Hunt, Esq., were appointed to the Board of Directors, replacing Honourable M. Lorne Bonnell, M.D., who resigned following his appointment to the Senate, and R.G. White, Esq., retired.

By Minute-in-Council EC380/74 responsibilities for the P.E.I. Crown Building Corporation were assigned to the Department of Public Works and Highways.

Honourable Bruce L. Stewart was appointed as President of the Prince Edward Island Crown Building Corporation by Order-in-Council EC70/75, effective 2 May 1974.

By Minute-in-Council EC1/77, Honourable W. Bennett Campbell was appointed as a Director of the Corporation effective 1 July 1976. This appointment replaced Honourable T. Earle Hickey, retired.

Because of the retirement from Government of Honourable Bruce L. Stewart, President of the Prince Edward Island Crown Building Corporation, Honourable George R. Henderson was appointed President of the Corporation effective 27 July 1978 by Order-in-Council EC568/78.

By Order of His Honour the Lieutenant-Governor in Council dated 24 May 1979, EC416/79 and pursuant to Section 3 of the Crown Building Act (R.S. P.E.I. 1974 Cap. C-30), the following persons were appointed as members of the Board of Directors:

President	-	Honourable Horace B. Carver
	-	Honourable Lloyd G. MacPhail
	-	Honourable James M. Lee
	-	John Gilmore
	-	William S. Hunt

Order of His Honour the Lieutenant-Governor in Council EC345/80 dated April 3, 1980, rescinded EC416/79, and by EC346/80 of the same date the following were appointed under the Crown Building Corporation Act (R.S. P.E.I. 1974, Cap. C-30):

President - Honourable George R. McMahon, Q.C.

Directors - Honourable Lloyd G. MacPhail
- Honourable James M. Lee
- John Gilmore
- G. Douglas Murray

By Order of His Honour the Lieutenant-Governor in Council dated 26 February 1981, EC204/81, Brian Scott, Esq. was appointed Secretary to the Board of Directors replacing John Gilmore, retired.

By Order-in-Council EC647/84, dated August 9, 1984, and pursuant to Section 3 of the Act, the Minister of Transportation and Public Works was appointed as President of the Prince Edward Island Crown Building Corporation; effective the same date, the following were appointed as members of the Board of Directors:

Minister of Finance and Tourism
Deputy Minister, Transportation and Public Works
Secretary to the Treasury Board
Director of the Highway Safety Division
Transportation and Public Works

A meeting of the Crown Building Corporation was held on March 27, 1984, appointing Doug Dennis as Secretary and giving signing authority to Honourable Lloyd MacPhail, Honourable Gordon Lank, and Mr. Doug Dennis.

Details of costs have been covered in the audited financial statement of this report, and in previous annual reports.

Respectfully submitted,

PRINCE EDWARD ISLAND
CROWN BUILDING CORPORATION

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

FINANCIAL STATEMENTS

MARCH 31, 1984

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To The Board of Directors of The
Prince Edward Island Crown Building Corporation

I have examined the balance sheet of the Prince Edward Island Crown Building Corporation as at March 31, 1984 and the statement of income for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion these financial statements present fairly the financial position of the Corporation as at March 31, 1984 and the results of its operations for the year then ended, in accordance with the disclosed basis of accounting in Note 1 applied on a basis consistent with that of the preceding year.

T. Kaptein, C.A.
Auditor General

Charlottetown, Prince Edward Island
August 24, 1984

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

BALANCE SHEET

MARCH 31, 1984

(with comparative figures at March 31, 1983)

ASSETS

	1984	1983
CURRENT ASSETS		
Cash	$ 155,295	$ 155,305
FIXED ASSETS		
Land - cost	271,340	271,340
Buildings and equipment - cost - Note 1(a)	6,032,994	5,778,608
OTHER ASSETS		
Unamortized bond discount and issue expenses	134,140	140,258
	$6,593,769	$6,345,511

LIABILITIES AND SURPLUS

CURRENT LIABILITIES		
Accrued interest	$ 155,250	$ 155,250
LONG TERM LIABILITIES		
Debentures payable - Note 2	5,400,000	5,400,000
Less: Sinking Fund - Note 3 (Market value 1984 - 3,167,105 1983 - 3,027,782)	3,231,813	2,788,055
	2,168,187	2,611,945
Loan payable - Province of Prince Edward Island	1,038,519	790,261
	3,206,706	3,402,206
SURPLUS		
Unappropriated		
Net Income - Statement 2	67,500	67,500
Less: Transfer to Sinking Fund Reserve	67,500	67,500
	-	-
Appropriated		
Sinking Fund Reserve		
Balance beginning of year	2,788,055	2,361,559
Investment income - Note 1(b)	376,258	358,996
Sinking Fund installments	67,500	67,500
Balance end of year	3,231,813	2,788,055
	$6,593,769	$6,345,511

(Notes 1 to 4 are an integral part of these financial statements)

ON BEHALF OF THE BOARD OF DIRECTORS: _____

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STATEMENT 2

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

STATEMENT OF INCOME

YEAR ENDED MARCH 31, 1984

(with comparative figures for the year ended March 31, 1983)

	1984	1983
LEASE INCOME - Province of Prince Edward Island net lease - Note 1(b)	$384,118	$384,118
EXPENSES		
Interest	310,500	310,500
Amortization of bond discount	6,118	6,118
	316,618	316,618
Net Income for Year	$ 67,500	$ 67,500

(Notes 1 to 4 are an integral part of these financial statements)

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1984

1. Accounting Policies

   (a) No depreciation is being charged against the buildings and equipment.

   (b) The statement of income is on a net lease basis and does not include the interest on Sinking Fund investments. The investment income is shown as a separate item in the Sinking Fund section of the balance sheet.

2. Debentures payable - 5 3/4% Sinking Fund debentures due April 1, 2006, callable at the option of the Corporation on or after April 1, 2001. The debentures are guaranteed by the Province of Prince Edward Island.

3. Sinking Fund investments consist of the following:

	1984	1983
Cash	$ 101,250	$ 5,535
Accrued Interest	113,892	88,180
Debentures	3,016,671	1,920,461
Provincial Deposit Receipts	-	598,879
Term Deposit Receipts	-	175,000
	$3,231,813	$2,788,055

4. Subsequent to March 31, 1984 the Corporation was given an expanded role which includes the construction of the new Veterinary College in Charlottetown. A general manager was appointed on April 18, 1984 by Order-in-Council. It is not practical at this time to estimate the possible effect of this expanded role on the financial position of the Corporation.